



AGENDA ITEM 6B

MEETING: January 17, 2018
TO: Humboldt LAFCo Commissioners
FROM: George Williamson, Executive Officer
SUBJECT: **Fiscal Year 2017-18 Mid-Year Budget Report and Amendment**
The Commission will receive a mid-year budget report for fiscal year 2017-2018 and will consider a budget amendment in the amount of \$4,800, which would be covered by the Commission's available fund balance.

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 mandates LAFCo operating costs shall be annually funded by affected counties, cities, and independent special districts on a one-third apportionment process. Apportionments for cities and special districts are further divided and proportional to each agency's total revenues as a percentage of the overall revenue amount collected in the county. LAFCos are also authorized to establish and collect fees to offset agency contributions.

DISCUSSION

Humboldt LAFCo's adopted FY 2017-18 budget for staffing and services/supplies totaled \$159,560. Budgeted revenues from intergovernmental contributions, service charges, and investments totaled \$149,100, with an additional \$10,460 allocated using the unexpended fund balance so as not to increase member contributions.

Mid-year actuals are provided in Attachment A. With regard to revenues, the county, cities and independent special districts allocations are collected by the Auditor. Staff anticipates the County's contribution to be transferred in the coming month. Furthermore, additional application fees are expected before year-end.

With regard to actual expenses, costs associated with conference registration and travel expenses are more than budgeted. A budget amendment is proposed to the "Transportation Out of County" account to support Commissioner Lake's attendance at upcoming CALAFCO Board meetings scheduled for February and May in San Diego and Sacramento, respectively. A budget amendment is proposed to make discretionary adjustments to several Services and Supplies Accounts to account for increased costs. As proposed, the total amended budget is \$164,360, a difference of \$4,800, which would be covered by the Commission's available fund balance.

RECOMMENDATION

Staff recommends the Commission adopt Resolution No. 18-01, approving a budget amendment for fiscal year 2017-18, as provided in Exhibit A.

Attachments

Attachment A: Resolution No. 18-01

RESOLUTION NO. 18-01

**BUDGET AMENDMENT
FOR FISCAL YEAR 2017-18**

WHEREAS, the Humboldt Local Agency Formation Commission, hereinafter referred to as the "Commission", annually adopts a final budget to fulfill its purposes and functions that are set by State law; and

WHEREAS, the Commission adopted a fiscal year 2017-18 budget for \$159,560 at its May 15, 2017 meeting; and

WHEREAS, the Commission considered a proposed fiscal year 2017-18 budget amendment for \$164,360, an increase of \$4,800, which would be covered by the Commission's available fund balance; and

WHEREAS the Commission heard and fully considered all the evidence presented at a public meeting held on the proposed fiscal year 2017-18 budget amendment on January 17, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

1. A budget amendment for fiscal year 2017-18, as outlined in Exhibit A, is hereby approved.

PASSED AND ADOPTED at a meeting of the Humboldt Local Agency Formation Commission on the 17th day of January, 2018, by the following roll call vote:

AYES: Commissioners:
NOES: Commissioners:
ABSENT: Commissioners:
ABSTAIN: Commissioners:

Estelle Fennell, Chair
Humboldt LAFCo

Attest:

George Williamson, Executive Officer
Humboldt LAFCo

Humboldt LAFCo Operating Budget

EXHIBIT A

Revenues:		FY 2016-17			FY 2017-18		
		AMENDED	YEAR END ACTUAL	Difference Under/ (Over)	ADOPTED	MID YEAR ACTUAL	PROPOSED AMENDMENT
Account	Title						
Intergovernmental							
671181	Cities	36,567.00	36,567.00	-	39,500.00	39,500.00	39,500.00
671182	Special Districts	36,567.00	36,566.73	0.27	39,500.00	39,429.18	39,500.00
671183	County	36,566.00	36,566.00	-	39,500.00	-	39,500.00
Intergovernmental Total		\$ 109,700.00	\$ 109,699.73		\$ 118,500.00	\$ 78,929.18	\$ 118,500.00
Service Charges							
631100	Professional Services (Application Fees)	30,000.00	64,995.30	(34,995.30)	30,000.00	10,200.00	30,000.00
682238	Charges for Services	-	-	-	-	-	-
707010	Miscellaneous	-	-	-	-	-	-
707590	Cancelled Checks (prior year)	-	-	-	-	20.00	-
Service Charges Total		\$ 30,000.00	\$ 64,995.30		\$ 30,000.00	\$ 10,220.00	\$ 30,000.00
Investments							
401000	Interest	600.00	1,101.45	(501.45)	600.00	624.91	600.00
Interest Total		\$ 600.00	\$ 1,101.45		\$ 600.00	\$ 624.91	\$ 600.00
Revenue Total		\$ 140,300.00	\$ 175,796.48		\$ 149,100.00	\$ 89,774.09	\$ 149,100.00

Expenses:		FY 2016-17			FY 2017-18		
		AMENDED	YEAR END ACTUAL	Difference Under/ (Over)	ADOPTED	MID YEAR ACTUAL	PROPOSED AMENDMENT
Account	Title						
Staffing							
2255	Legal Fees	5,000.00	4,327.00	673.00	5,000.00	1,547.00	5,000.00
2118	Professional & Special Services (Task Order 1 - MSRs/SOIs)	49,000.00	46,529.50	2,470.50	49,000.00	15,684.50	49,000.00
2118	Professional & Special Services (Task Order 2 - Staffing)	55,000.00	51,731.00	3,269.00	55,000.00	24,468.00	55,000.00
2118	Professional & Special Services (Application Review)	30,000.00	54,159.16	(24,159.16)	30,000.00	23,751.82	30,000.00
2323	Special Dept Expense	-	1,364.05	(1,364.05)	-	1,361.00	2,000.00
2325	Contract Services	-	-	-	-	-	-
Staffing Total		\$ 139,000.00	\$ 158,110.71		\$ 139,000.00	\$ 66,812.32	\$ 141,000.00
Services and Supplies							
2106	Communications	160.00	155.40	4.60	160.00	77.70	160.00
2107	Duplicating	300.00	227.86	72.14	300.00	43.86	300.00
2110	Insurance	2,000.00	1,917.90	82.10	2,000.00	2,178.63	2,200.00
2115	Memberships	3,800.00	3,779.00	21.00	3,800.00	3,955.00	4,000.00
2116	Postage	50.00	26.68	23.32	300.00	59.20	300.00
2117	Office Supplies	-	1.74	(1.74)	-	0.10	-
2119	Publications & Legal Notices	1,000.00	1,266.62	(266.62)	1,000.00	349.85	1,000.00
2121	Rents & Leases - Structures	5,400.00	5,400.00	-	5,400.00	2,700.00	5,400.00
2123	Special Departmental Expense	600.00	620.00	(20.00)	600.00	340.00	600.00
2125	Transportation & Travel	600.00	761.92	(161.92)	600.00	403.91	800.00
2147	Media	400.00	171.20	228.80	400.00	121.20	200.00
2225	Transportation Out of County	6,000.00	5,554.01	445.99	4,000.00	4,866.27	5,800.00
2614	Staff Development & Training	3,200.00	2,890.00	310.00	2,000.00	2,600.00	2,600.00
Services and Supplies Total		\$ 23,510.00	\$ 22,772.33		\$ 20,560.00	\$ 17,695.72	\$ 23,360.00
Expense Total		\$ 162,510.00	\$ 180,883.04		\$ 159,560.00	\$ 84,508.04	\$ 164,360.00

Operating Difference \$ (22,210.00) \$ (5,086.56) \$ (10,460.00) \$ (15,260.00)
(Negative Balance Indicates Use of Reserves)

Unreserved/Unrestricted Fund Balance	FY 2016-17	FY 2017-18
Beginning	\$ 96,659.27	\$ 91,708.71
Ending	\$ 91,708.71	